

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN

In re:

Chhatrala Grand Rapids, LLC

Chapter 11 Proceeding
Case No. 19-03908

Debtor.

MOTION BY RECEIVER TO EXCUSE COMPLIANCE WITH 11 USC §543

Amicus Management, Inc., in its capacity as a state court receiver (the “Receiver”), by its counsel, Plunkett Cooney, files this Motion pursuant to 11 USC §543(d) to excuse compliance with subsections (a) and (b) of 11 USC §543 and in support thereof would show the Court as follows:

1. On August 22, 2019, the 17th Judicial Circuit Court of Michigan (Kent County), in Case No. 19-07367-CBB, appointed Amicus Management, Inc. as receiver of the real and personal property located at 5700 28th Street, SE, Grand Rapids, Michigan 49546 (the “Property”). (Ex. A, Temporary *Ex Parte* Order Appointing Receiver, which was extended through September 17, 2019).

2. Chhatrala Grand Rapids, LLC (the “Debtor”) has title to the Property, which currently operates as the “Crown Plaza Hotel” on 28th Street in Cascade Township, Kent County, Michigan.

3. As set forth in the Temporary *Ex Parte* Order Appointing Receiver, the Court found there to be a likelihood of injury, loss or damage to the Property as a result of the transfer or dissipation of funds from the Property's revenue by the owner's past and recent actions with respect to the operational revenue of the assets described in Access Point

Financial, LLC's Verified Complaint. (Ex. B, Verified Complaint and Ex. C, Verified Motion for Appointment of Receiver).

4. The Receiver is currently in possession of the Property.

5. The Receiver is a custodian of Debtor's Property as defined by 11 USC §101(11)(B).

6. Pursuant to 11 USC §543(a) and (b), custodians with knowledge of the commencement of a bankruptcy case concerning the debtor must cease administration of debtor's property, deliver to the trustee any property of the debtor held by or transferred to such custodian, and file an accounting.

7. The Receiver seeks excusal from 11 USC 543 (a) and (b) as the bankruptcy filing by the Debtor was unauthorized, and, given the mismanagement and safety considerations, as set forth in more detail in the accompanying brief in support, authorization to continue operating pursuant to the State Court's order appointing the receiver.

8. The Receiver has used the past several weeks to evaluate the hotel properties and has concluded that its continued administration and control is necessary to preserve the properties under 11 USC §543(a) until this Court can resolve this motion brought under 11 USC §543(d).

WHEREFORE, Amicus Management, Inc., in its capacity as state court appointed receiver, respectfully prays that this Court excuse compliance with 11 USC §543(a) and (b)(1) and for all other relief as is just and proper.

September 17, 2019

Respectfully submitted,

PLUNKETT COONEY

By: Kelli L. Baker

Kelli L. Baker (P49960)

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capacity as state court receiver

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